

State of Hawaii
Department of Transportation
Statewide Transportation Planning Office

**FTA Section 5309, 5310 & 5311 Program
Project Disposition Instructions**

Disposition is required when the sub-recipient no longer has use for the project in accordance to the approved project application and the federal programmatic requirements. The following are the Project Disposition Instructions:

1. The sub-recipient shall contact HDOT for initial project disposition consultation.
2. **The sub-recipient cannot use the project for other than identified use in the approved application or dispose of the project until written approval is received from the HDOT.** Only written disposition approval from the HDOT will release the sub-recipient from all agreement and/or contractual obligations related to the project.
3. The sub-recipient is permitted to deduct and retain from the federal share \$500 or ten percent of the proceeds, whichever is less, for disposition efforts such as estimating, selling and handling expenses.
4. The sub-recipient shall have the vehicle assessed and value estimated by an ASE certified mechanic before submitting the disposition application for project values equal or greater than \$5,000.
5. Disposition Options:
 - A. Service Life has not been met
 - 1) The sub-recipient shall reimburse HDOT 80 percent of the project value using the Straight-line Depreciation Method; or
 - 2) The sub-recipient shall return the project to HDOT in serviceable condition, as determined by HDOT. HDOT will reassign the project. The sub-recipient shall not be reimbursed any portion of their local share cost.
 - B. Service Life has been met
 - 1) The sub-recipients shall return the project to HDOT in serviceable condition, as determined by HDOT, for projects that have a value greater than \$5,000. HDOT will reassign the Project. Or,
 - 2) The sub-recipient shall not return the project to HDOT, if the project is not in serviceable condition, as determined by HDOT. The sub-recipient shall dispose of the project.

Project disposition proceeds less than \$5,000 must be used for the sub-recipient's transit program. Project disposition proceeds equal or greater than \$5,000 must be used for efforts identified in the approved project application. If the sub-recipient cannot meet any of these reinvestment requirements, the project disposition proceeds must be submitted to HDOT.

6. A completed and signed Project Disposition Application with attachments is required. One application is required for each project disposition.
7. For vehicles, the Service Life is listed below. Service Life of rolling stock begins on the date the vehicle is placed in revenue service and continues until it is removed from service.
 - A. Large, heavy-duty transit buses (approximately 35' – 40', and articulated buses): at least 12 years of service or an accumulation of at least 500,000 miles.
 - B. Medium-size, heavy-duty transit buses (approximately 30'): 10 years or 350,000 miles.
 - C. Medium-size, medium-duty transit buses (approximately 30'): 7 years or 200,000 miles.
 - D. Medium-size, light-duty transit buses (approximately 25' – 30'): 5 years or 150,000 miles.
 - E. Other light-duty vehicles such as small buses and regular and specialized vans: 4 years or 100,000 miles.
8. For Equipment Service Life contact the HDOT.